

APPENDIX A:

OBJECTIVES AND METHODOLOGY

In an effort to offer policy-makers solutions to business challenges and thus attract and retain businesses statewide, NJPRO elicited the assistance of Market Connections, Inc. and T3 Government Strategies to:

- Evaluate business-related challenges in New Jersey;
- Address ways to expand or improve upon current policies in order to alleviate those challenges; and
- Assess business-related policies that have been helpful in other states with an eye toward potential implementation of those policies in New Jersey.

The goal of the current study is to offer state legislators tested and viable recommendations on how New Jersey can attract new and maintain current businesses through the improvement or implementation of industry-friendly policies. More specifically, the purpose of the study is to evaluate New Jersey's performance relative to other states and provide examples of successful industry-friendly policy in the following areas:

- Tax policy
- Regulatory policy
- Workforce and labor
- Education
- Innovation
- Cost of market entry

METHODOLOGY

In order to achieve the above study objectives, Market Connections, Inc. and T3 Government Strategies conducted primary qualitative and quantitative research as well as secondary research. The primary qualitative research involved a series (29) of focus discussions with the following state and business leaders:

- Associations
 - National Governors Association
 - National Conference of State Legislatures
- Twelve New Jersey business leaders in broad range of industries including health care, construction, telecommunications, and services sectors, among others.
- States officials and/or Economic Development Authorities including
 - Maryland
 - North Carolina and North Carolina Economic Developers Association
 - Florida
 - California and California Association for Local Economic Development
 - Virginia Economic Development Partnership
 - New York and New York Economic Development Council

- Pennsylvania Economic Development Association
- Washington
- New Jersey Economic Development Authority
- New Jersey Office of Economic Growth

Secondary research was conducted using data obtained from several sources, including:

- *Site Selection* Magazine
- Pollina Corporate Real Estate
- *Chief Executive* Magazine
- *Forbes* Magazine
- CNBC

The data collected for the secondary research involved the following states:

- California
- Connecticut
- Florida
- Georgia
- Maryland
- Massachusetts
- Michigan
- New Jersey
- New York
- North Carolina
- Pennsylvania
- Rhode Island
- Tennessee
- Texas
- Utah
- Virginia
- Washington
- West Virginia
- Wisconsin

Two hundred and forty nine New Jersey business leaders were surveyed for the primary quantitative part of the study. Potential respondents were screened based on the following criteria:

- Currently own or work for a business that has at least one location in New Jersey; and
- Has direct involvement in making recommendations related to the company's strategic direction, including planning and evaluation of alternatives; and/or makes the final decision regarding company's strategic direction.

An effort was made to have a representative sample of New Jersey business leaders, based on company size, industry, and geographic region. The calling sample included contact information randomly selected within each quota area (by industry type, company size measured in number of U.S. employees, and county within New Jersey) drawn from the USADATA, Inc.'s list, which is sourced through the Yellow Pages, government records, county records, and phone verification. The database is updated

monthly from the National Change of Address database, the State Attorney General File, and random phone and mailing updates within each company.

SURVEY FINDINGS

Two hundred and forty nine New Jersey business leaders were surveyed for the primary quantitative part of the study. Potential respondents were screened based on the following criteria:

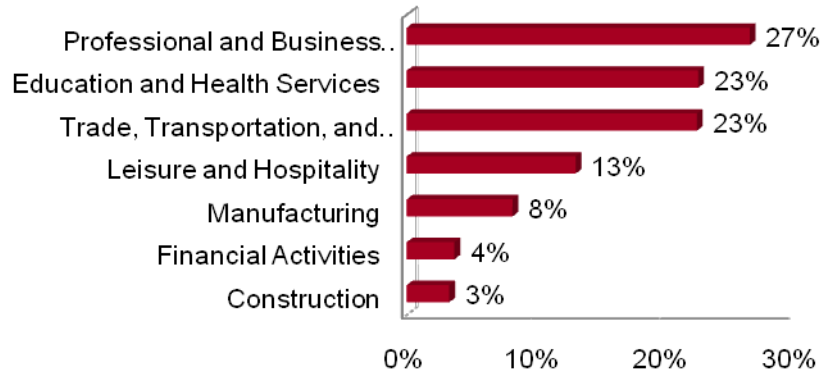
- Currently own or work for a business that has at least one location in New Jersey; and
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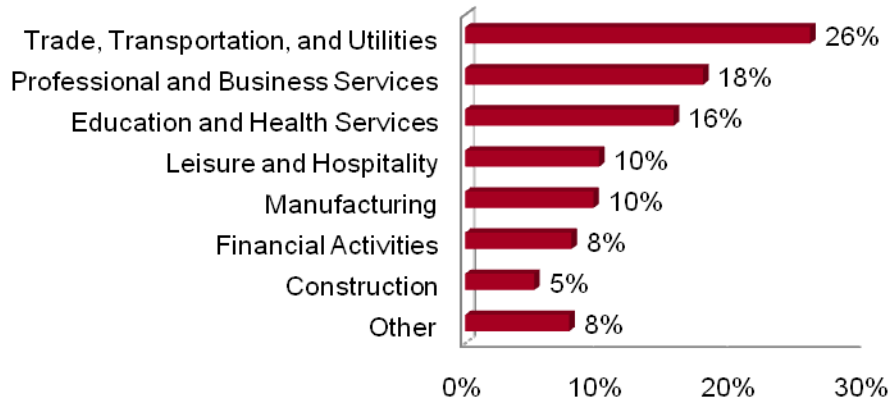
DEMOGRAPHICS

Those surveyed represent a variety of industries comprising the New Jersey business environment. Approximately one-quarter (27%) work in the professional or business services industry. Education and health services and trade, transportation, and utilities each represent a little over one-fifth (23%) of the sample surveyed. Other industries surveyed include leisure and hospitality (13%), manufacturing (8%), financial activities (4%), and construction (3%). Overall, the industry breakdown of the sample is similar to the industry breakdown of the state of New Jersey, in that professional and business services, education and health services, and trade, transportation, and utilities are the top tier industries, followed by leisure and hospitality, manufacturing, financial activities, and construction.

Company Function - Survey



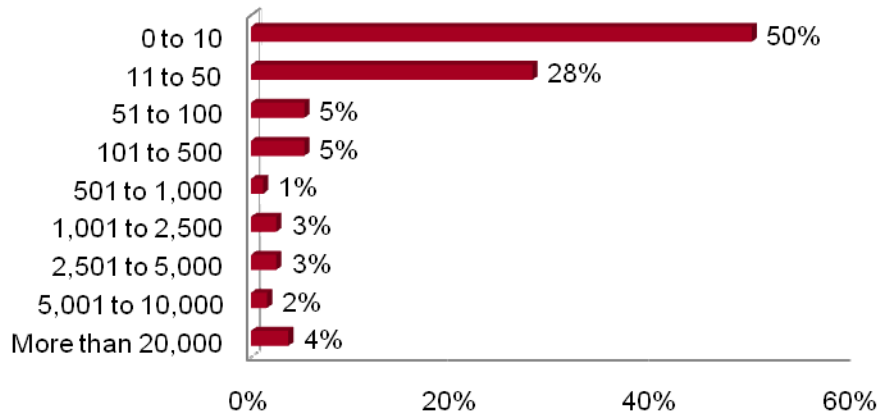
Company Function - New Jersey*



*Source: U.S. Bureau of Labor Statistics (www.bls.gov)

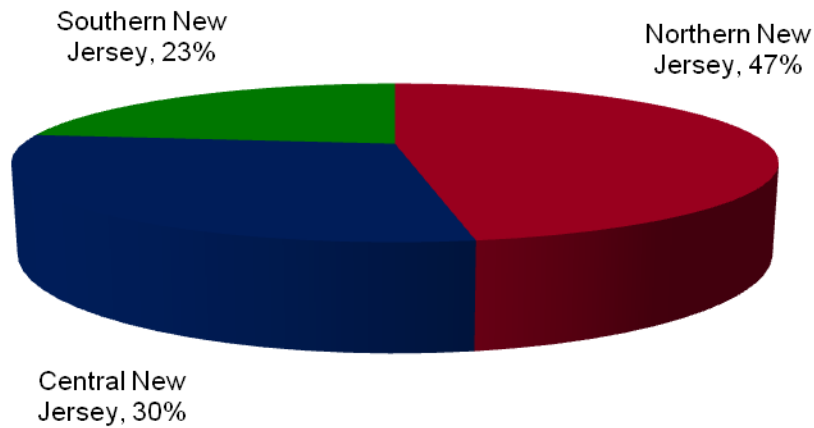
The survey sample also includes business leaders in companies ranging from under 10 employees to organizations employing more than 20,000 workers. One-half of those surveyed work in an organization with 10 or fewer employees in the U.S. Another one-third (33%) represent companies with between 11 and 100 U.S. employees. Almost one-fifth (18%) of respondents work in an organization with greater than 100 employees in the U.S.

Number of Full-Time Employees Company Employs in U.S.



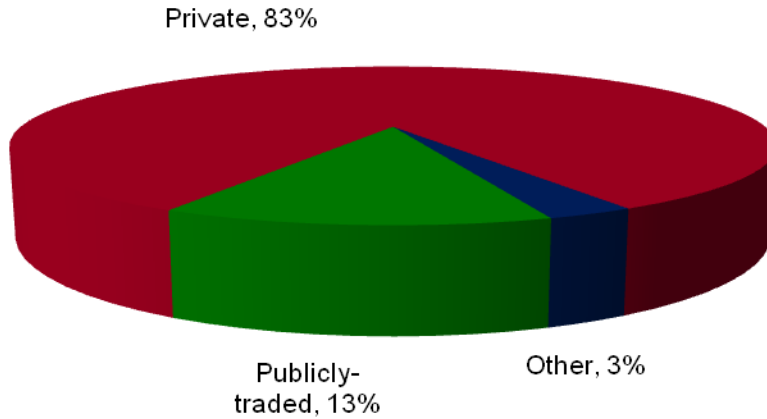
Approximately one-half (47%) of the New Jersey business leaders primarily work in northern New Jersey. Slightly more than one-quarter (30%) of respondents work in central New Jersey, and the remaining one-quarter (23%) work in southern New Jersey.

New Jersey Region



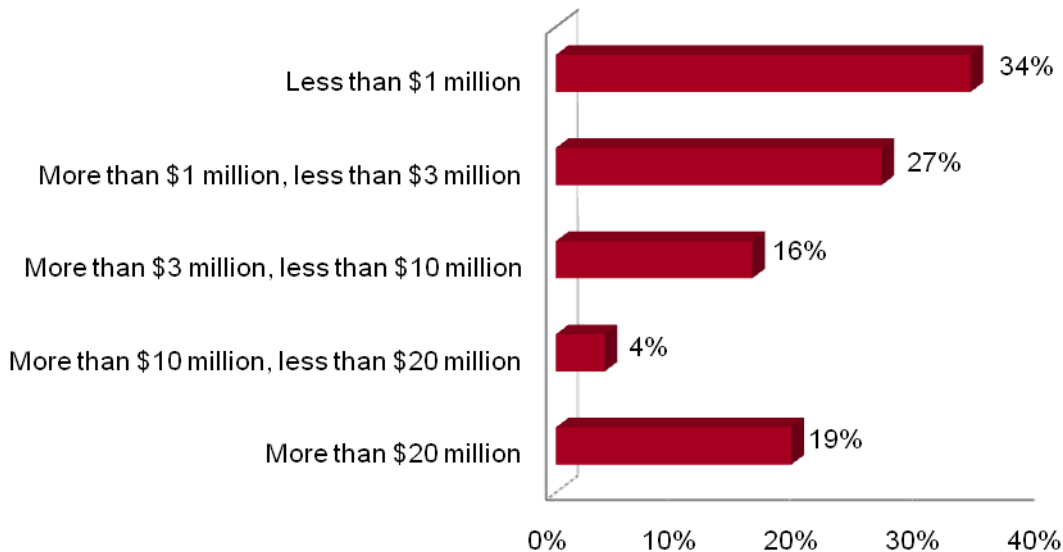
The majority (83%) of those surveyed work for a private company. A minority (13%) of respondents work for a publicly-traded organization.

Public v. Private Company



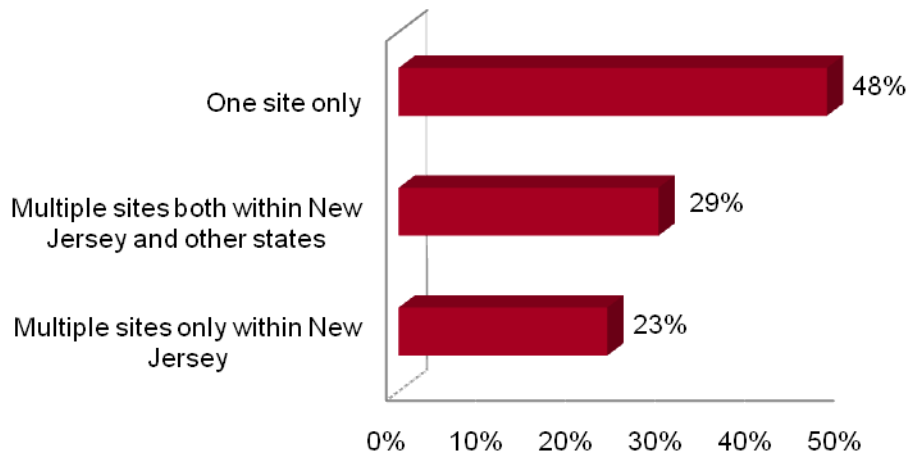
Approximately one-fifth (19%) of the New Jersey business leaders represent an organization with an annual revenue of greater than \$20 million. Another one-half (47%) of respondents work in a company with a total annual revenue between \$1 million and \$20 million. The remaining one-third (34%) work in an organization with an annual revenue of less than \$1 million.

Total Annual Revenue



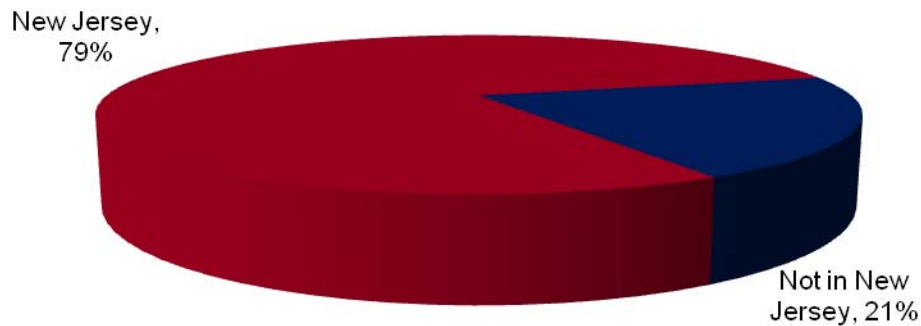
The majority (71%) of the New Jersey business leaders represent an organization with site(s) in New Jersey only. Almost one-third (29%) of respondents work for an organization with sites both within and outside the state of New Jersey.

Company Locations



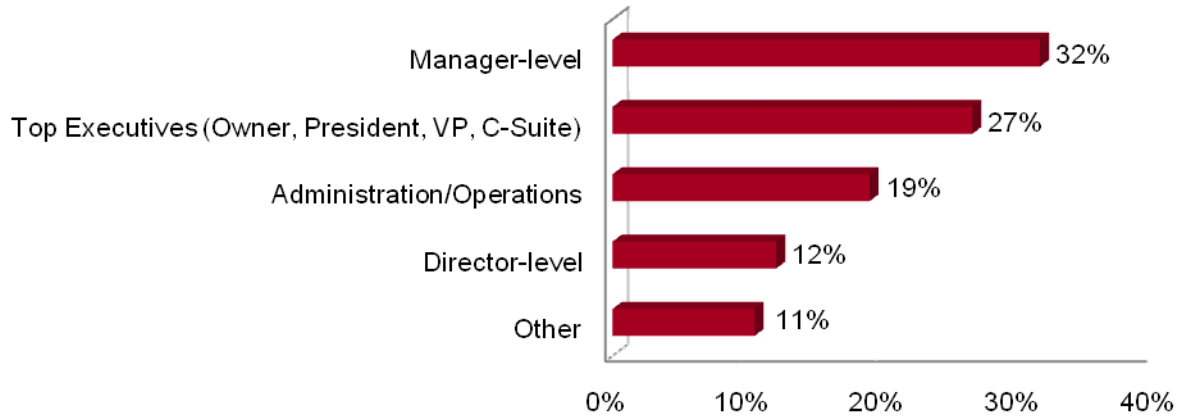
The majority (79%) of respondents work in an organization that is headquartered in New Jersey.

Company Headquarters Location



Over one-quarter (27%) of those surveyed work in a top-executive position, such as owner, president, vice president, and C-suite roles, within their organization. About one in ten (12%) respondents work in a director-level role, and approximately one-third (32%) of respondents work in a manager-level position within their organization. About one-fifth (19%) work in an administrative or operational role. The remaining 11% work in some other job role, such as chairman, general counsel, medical coordinator, and surgical coordinator.

Job Title

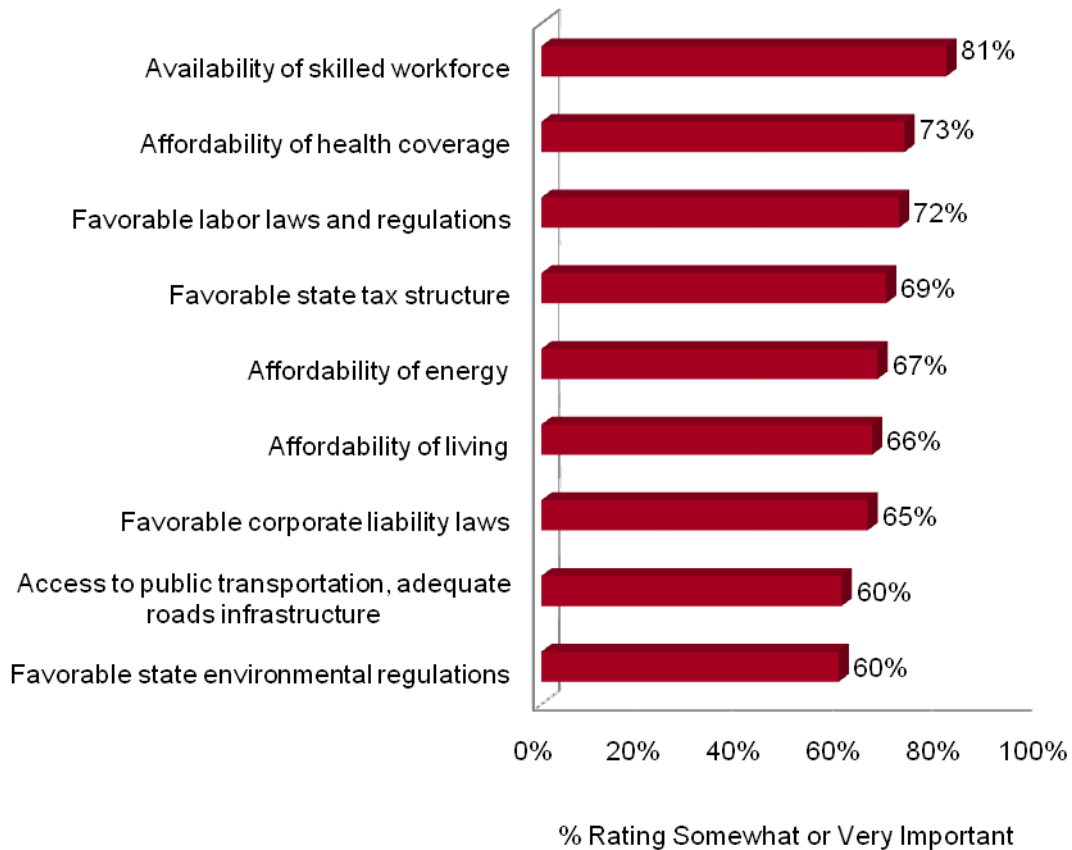


STRENGTHS AND WEAKNESSES

The New Jersey business leaders surveyed were asked to consider the importance of several issues to their organization's New Jersey locations. They were asked to rate each issue on a scale of one to five, where one is not at all important and five is very important.

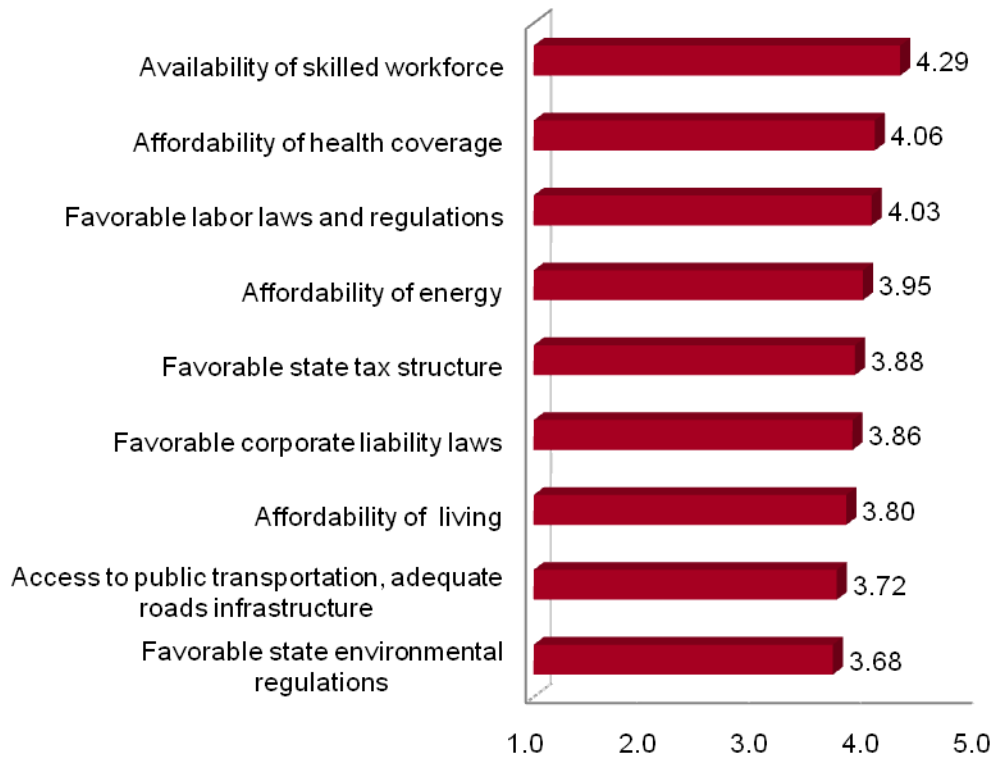
Availability of a skilled workforce is the most important issue to the success of New Jersey businesses, rated as important by 81% of respondents, with an average rating of 4.29 out of 5. Other important issues, each rated as important by at least two-thirds of respondents, include affordability of health coverage, favorable labor laws and regulations, favorable state tax structure, affordability of energy, and affordability of living.

Importance of Issues to Success of New Jersey Business



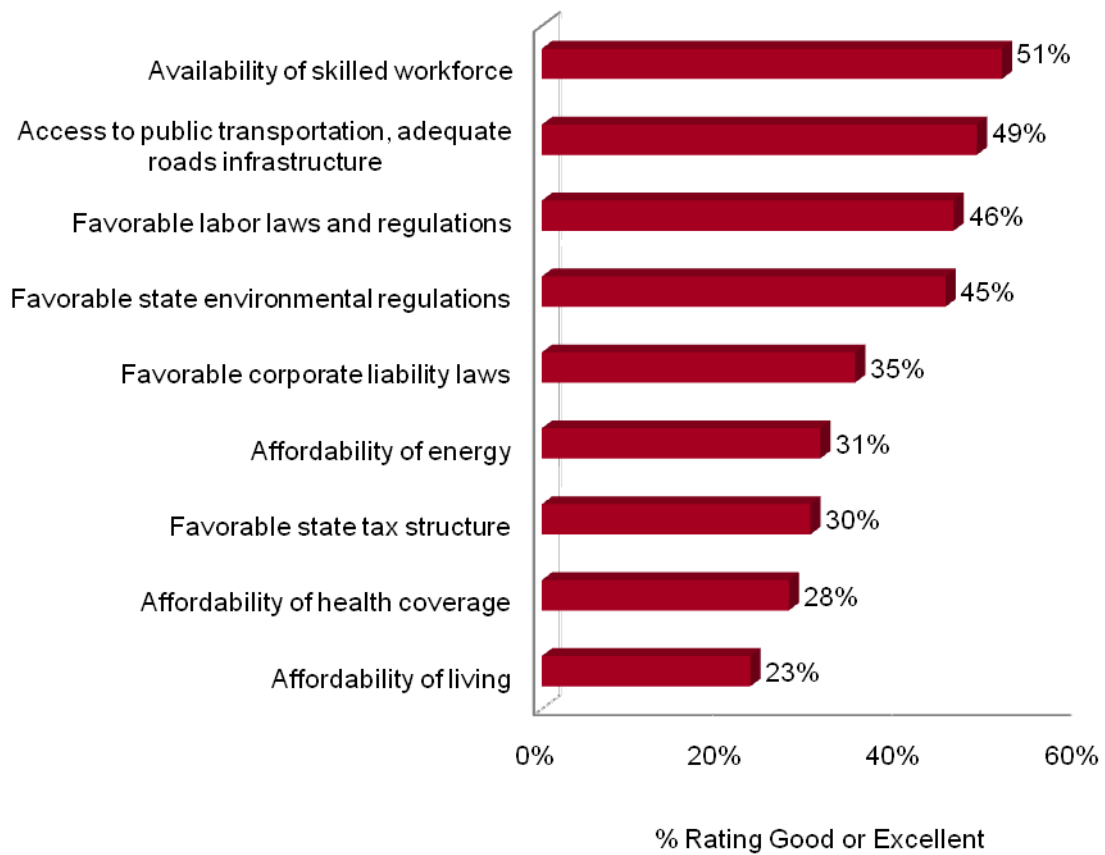
Using the same scale of one to five, where one is not at all important and five is very important, the ratings of the importance of several issues to the New Jersey locations of respondents' organizations are presented below.

Importance of Issues to Success of New Jersey Business



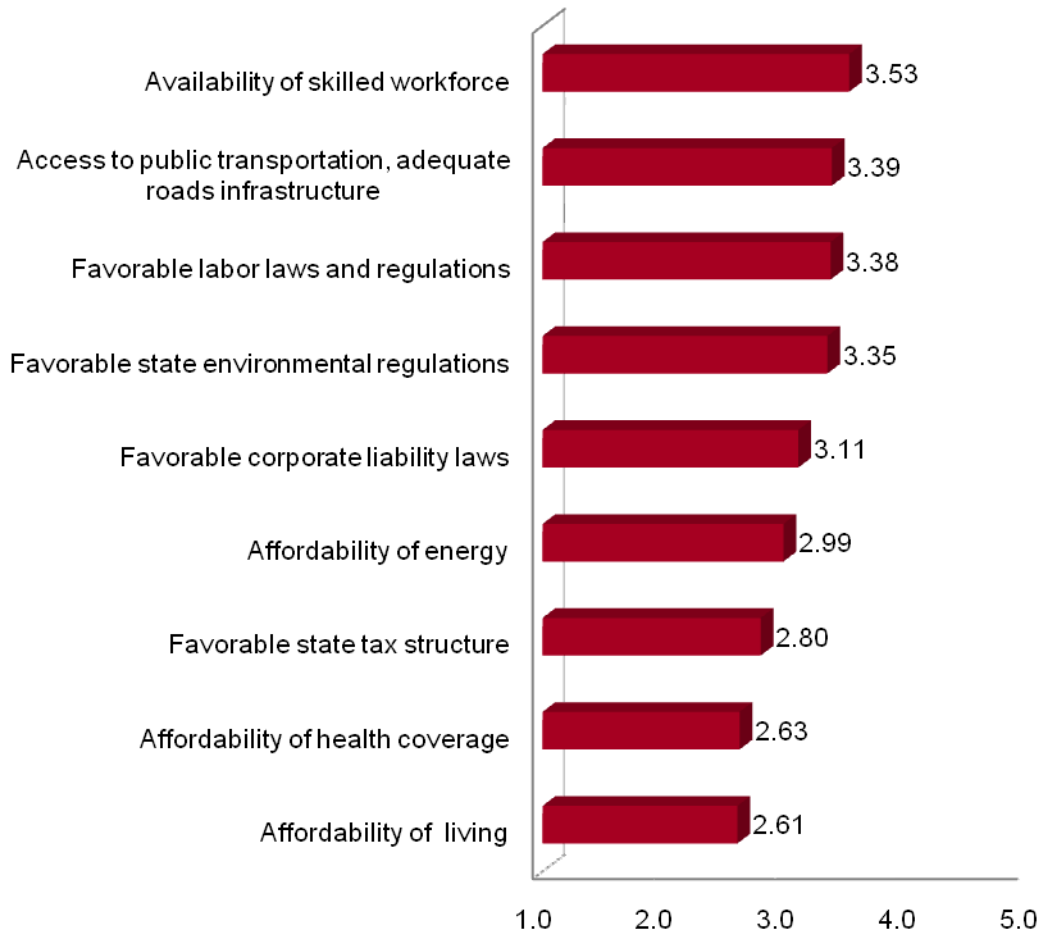
Respondents were also asked to rate New Jersey's performance on each of these issues on a scale of one to five, where one is poor and five is excellent. The highest rated performance area is availability of a skilled workforce, which received a rating of 3.53 and was rated as good or excellent by 51% of respondents. Other top performing areas include access to public transportation and adequate roads infrastructure, favorable labor laws and regulations, and favorable state environmental regulations.

Perception of New Jersey Performance



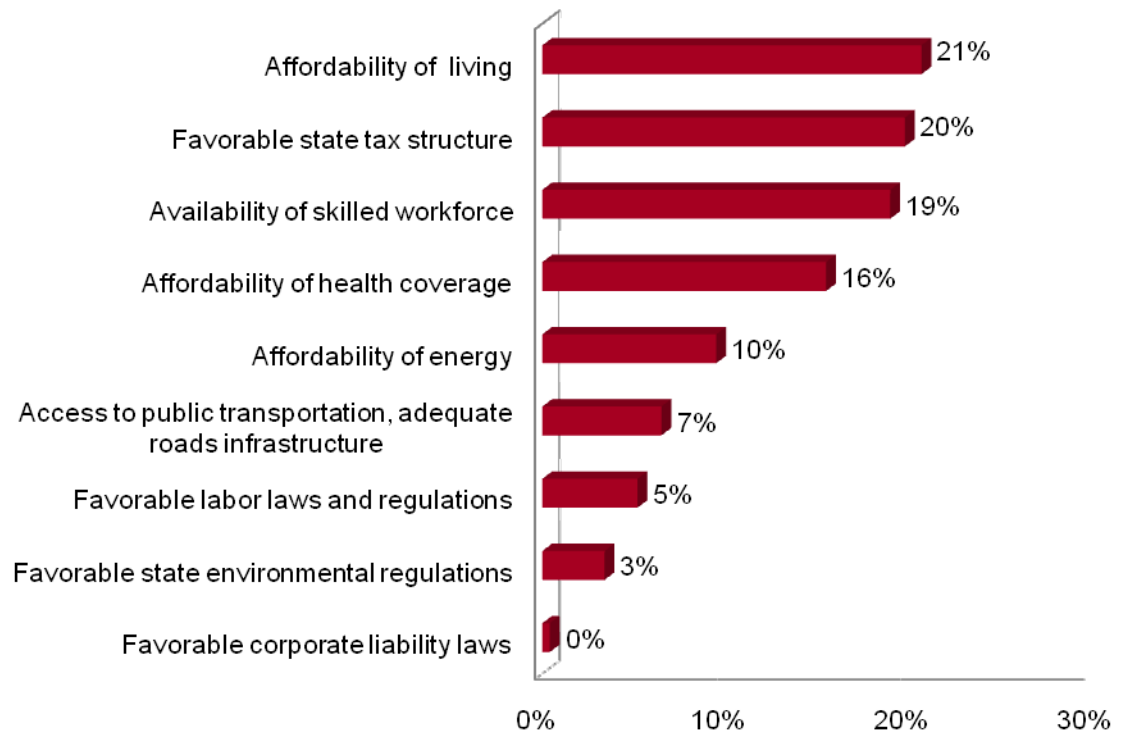
Using the same scale of one to five, where one is poor and five is excellent, the ratings of New Jersey's performance on each of these issues are presented below.

Perception of New Jersey Performance



When asked to select the issue, as it currently stands, which is most likely to prevent their organization from reaching its overall goals, respondents most commonly chose affordability of living, favorable state tax structure, availability of skilled workforce, and affordability of health coverage.

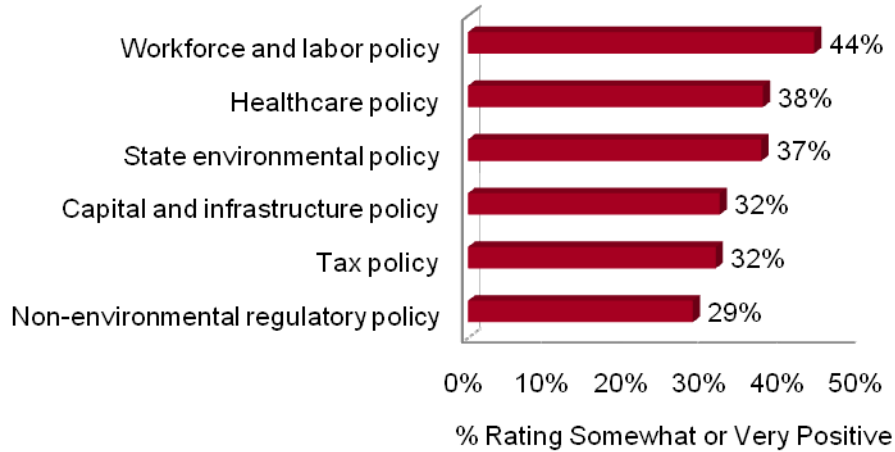
Most Likely Issue to Prevent Company from Reaching Goals



NEGATIVE POLICY IMPLICATIONS

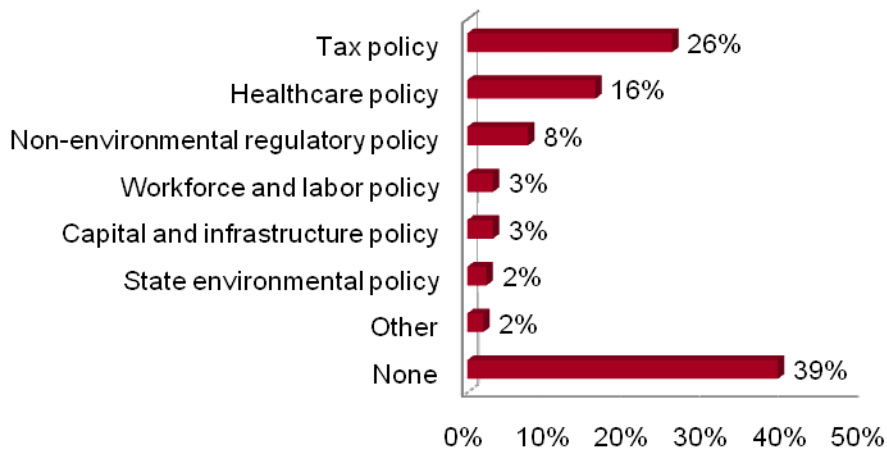
The New Jersey business leaders were asked to rate the impact that several public policy issues may have on their organizations' New Jersey locations, using a scale of one to five, where one is a very negative impact and five is a very positive impact. The policy issues with the most positive impact include workforce and labor policy, healthcare policy, and state environmental policy.

Current Impact of Policies on Company



Respondents were then asked to select the issue that most negatively impacts their company. Of those who rated at least one policy area as having a negative impact on their company's New Jersey locations, the top policy area with the most negative impact is tax policy, cited by over one-quarter (26%) of respondents. Other policy areas with a great negative impact on New Jersey companies include healthcare policy and non-environmental regulatory policy.

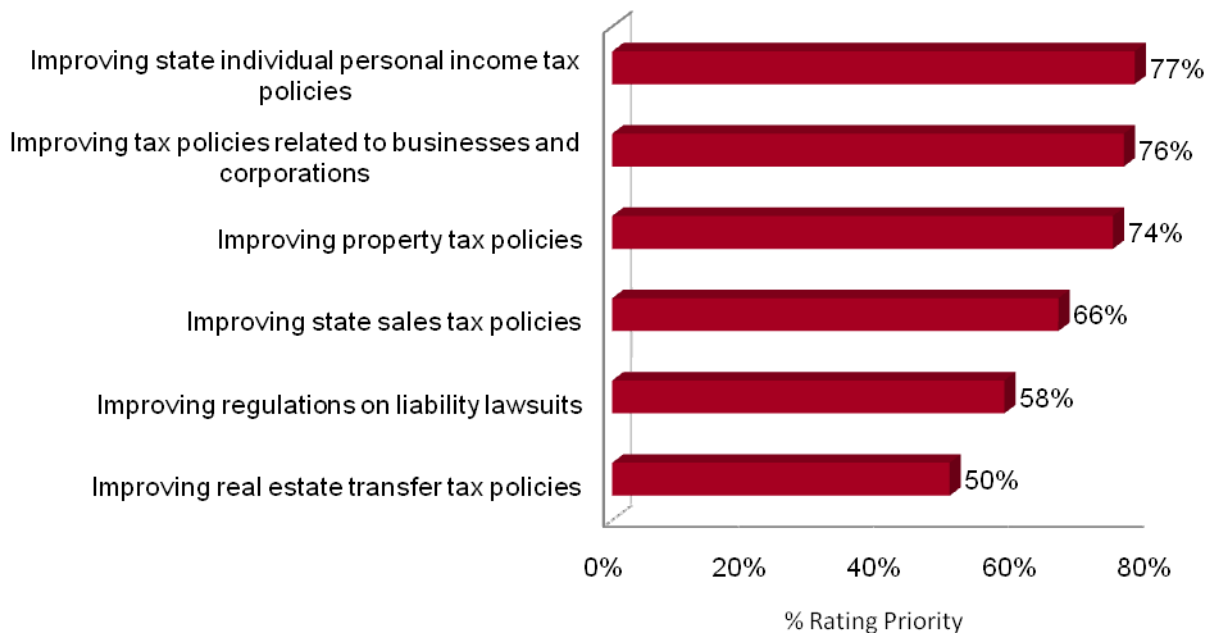
Issue with Most Negative Impact on Company



Those who cited that at least one policy area negatively impacts their company's New Jersey locations were then asked how much of a priority they think legislators should place on several issues in the upcoming year relating to the policy area that they think most negatively impacts their company.

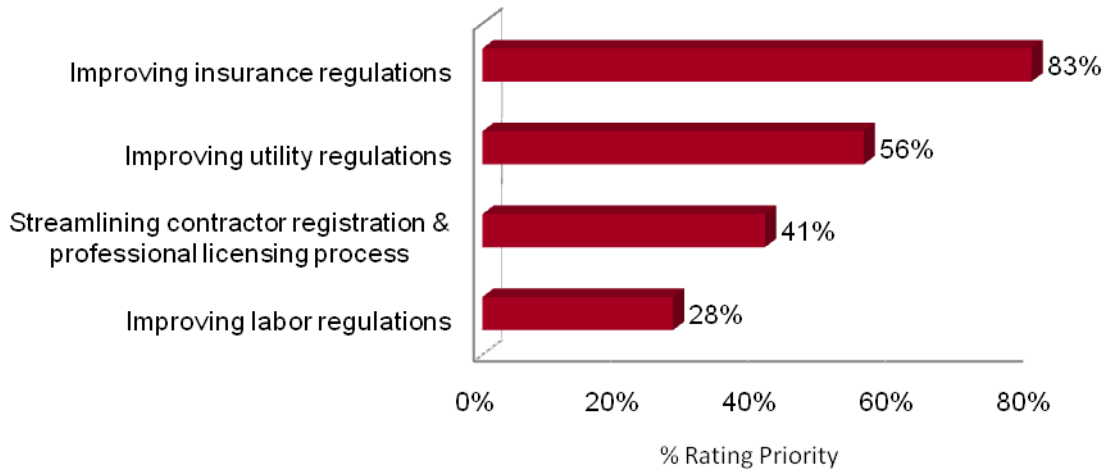
For those who were asked about tax policy, the top priorities for legislators in the upcoming year should be improving state individual personal income tax policies, improving tax policies related to businesses and corporations, and improving property tax policies. More than two-thirds of respondents believed that each of these policies should be a priority.

Priority Legislators Should Place on Tax Policy Issues



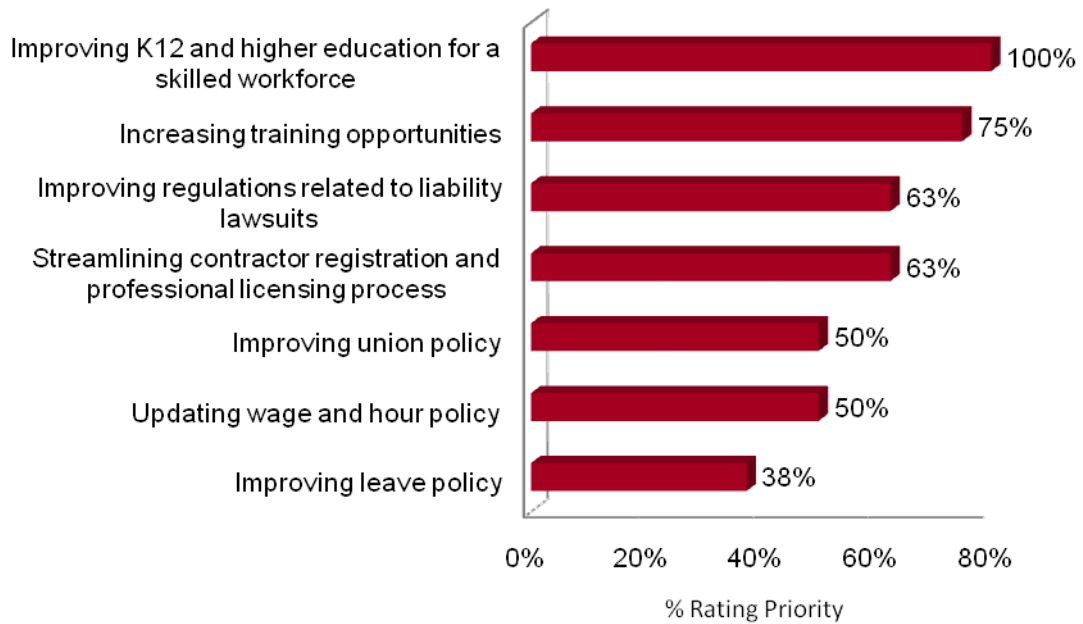
Those who were asked about regulatory policy cited improving insurance regulations as the issue on which legislators should place the greatest priority in the upcoming year.

Priority Legislators Should Place on Regulatory Policy Issues



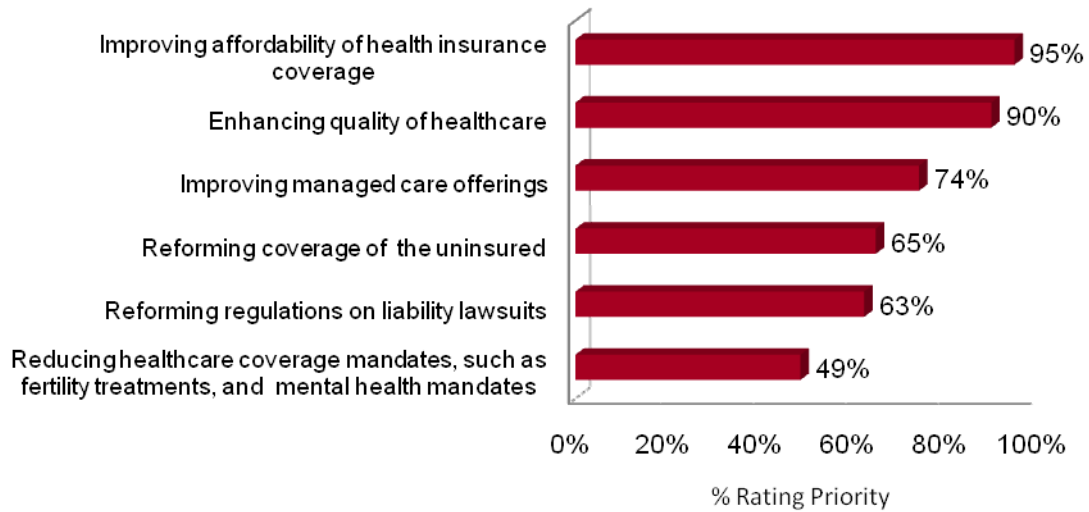
The top rated issue for those asked about workforce and labor policy was improving K12 and higher education for a skilled workforce. Other top issues include increasing training opportunities, improving regulations related to liability lawsuits, and streamlining contractor registration and professional licensing process.

Priority Legislators Should Place on Workforce and Labor Policy Issues



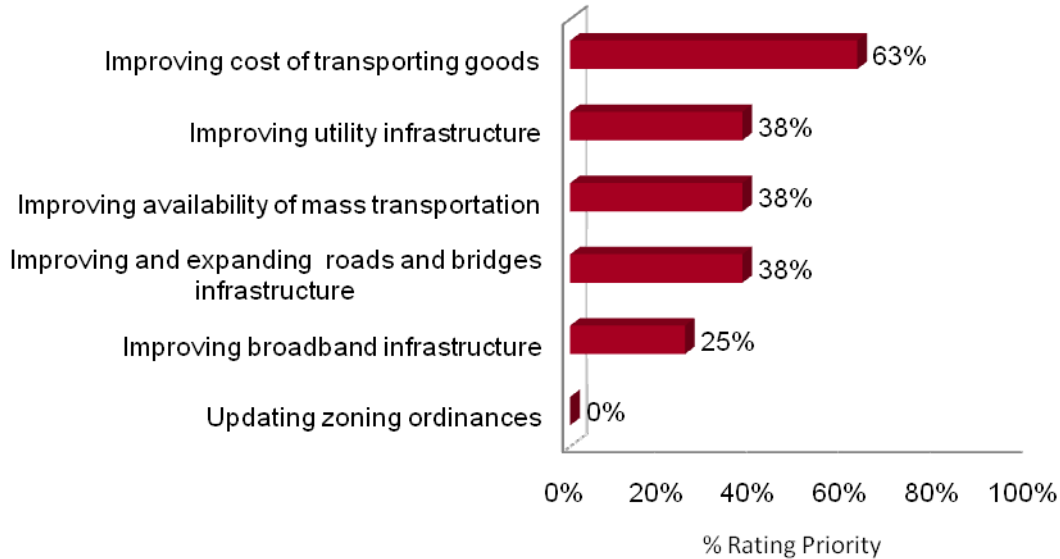
For those who were asked about healthcare policy, the issues that they think legislators should place high priority on over the next year are improving affordability of health insurance coverage and enhancing the quality of healthcare.

Priority Legislators Should Place on Healthcare Policy Issues



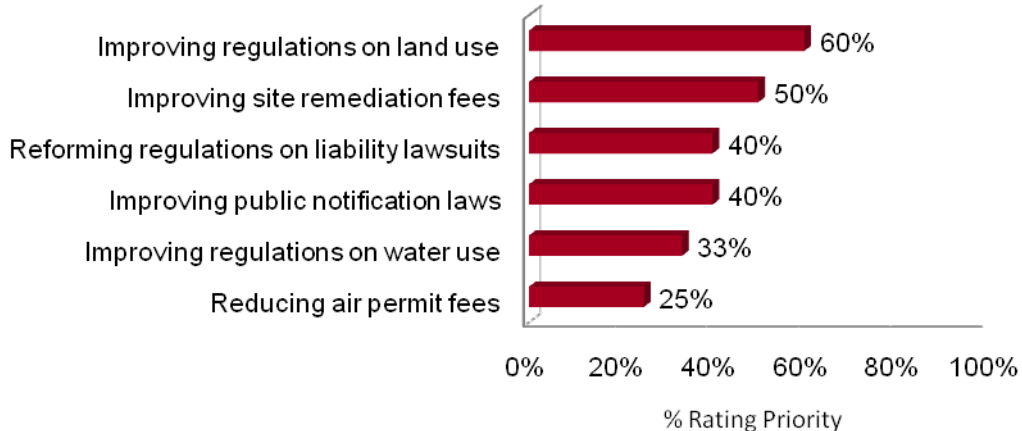
Among those asked about capital and infrastructure policy, almost two-thirds (63%) cited improving the cost of transporting goods as an issue on which legislators should place a high priority in the upcoming year. Other top issues include improving utility infrastructure, improving the availability of mass transportation, and improving and expanding roads and bridges infrastructure.

Priority Legislators Should Place on Capital and Infrastructure Policy Issues



The respondents who were asked about environmental policy most commonly cited improving regulations on land use as an issue on which legislators should place high priority in the upcoming year. Other top issues include improving site remediation fees, reforming regulations on liability lawsuits, and improving public notification laws.

Priority Legislators Should Place on State Environmental Policy Issues

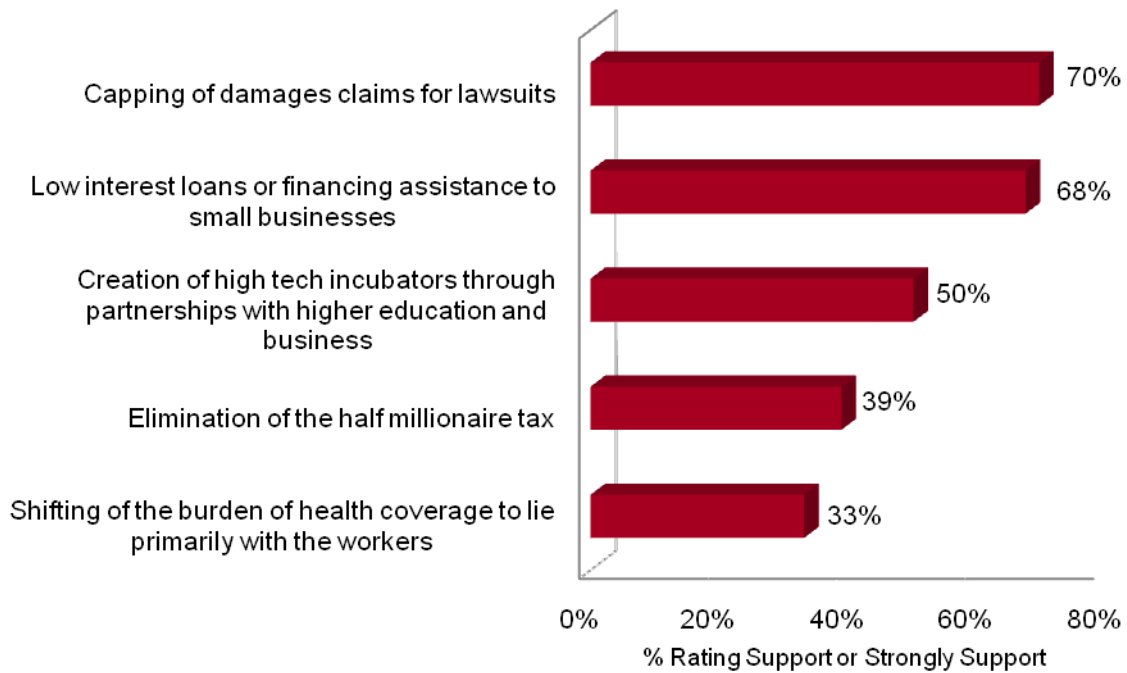


POLICY SUPPORTED

The New Jersey business leaders were asked to rate the level of support from their organization on several public policy or legislative changes using a scale of one to five, where one is strongly oppose and five is strongly support.

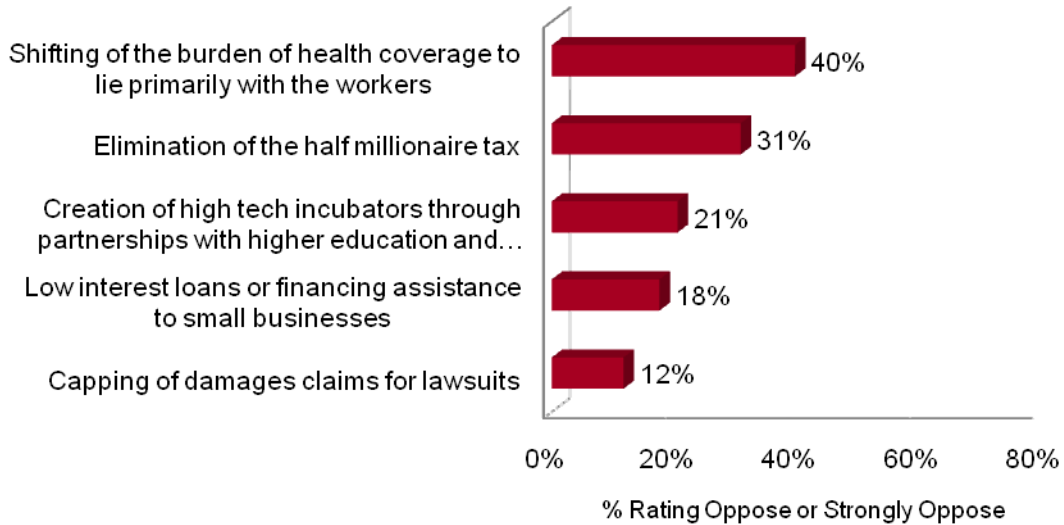
The most strongly supported potential policy changes are capping of damages for lawsuits and low interest loans or financing assistance to small businesses.

Extent of Business Support of Policies



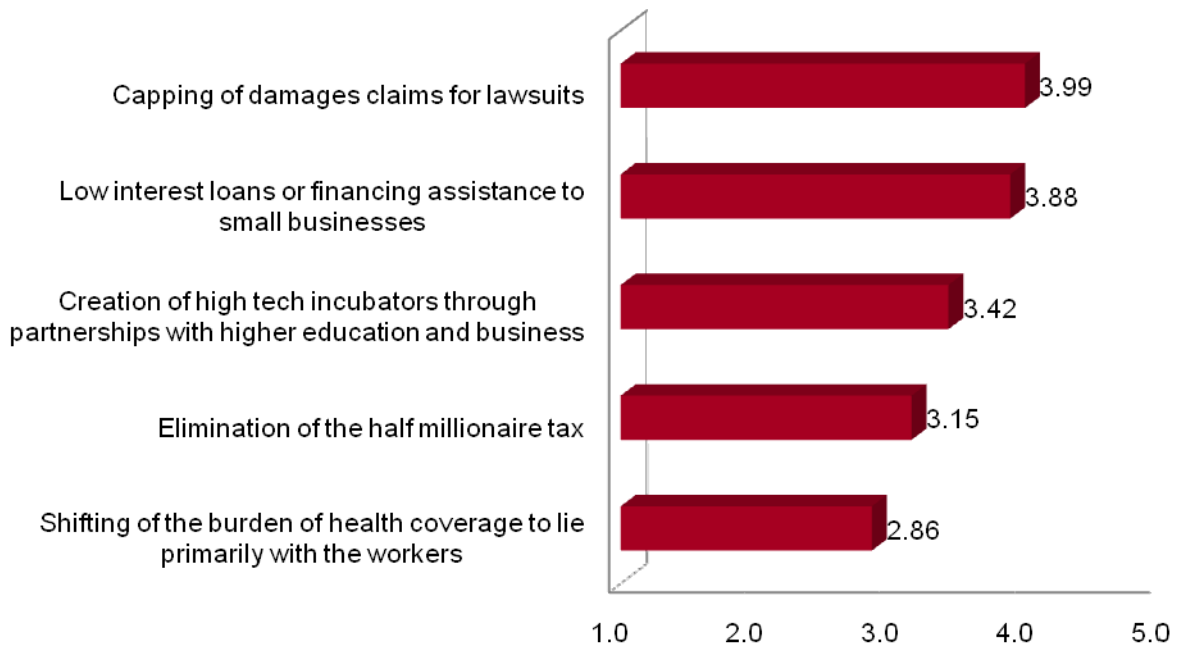
The most strongly opposed potential policy change is the shifting of the burden of health coverage to lie primarily with the workers.

Extent of Business Opposition to Policies



Using the same scale of one to five, where one is strongly oppose and five is strongly support, the ratings of the level of support from respondents' organizations on several public policy or legislative changes presented below.

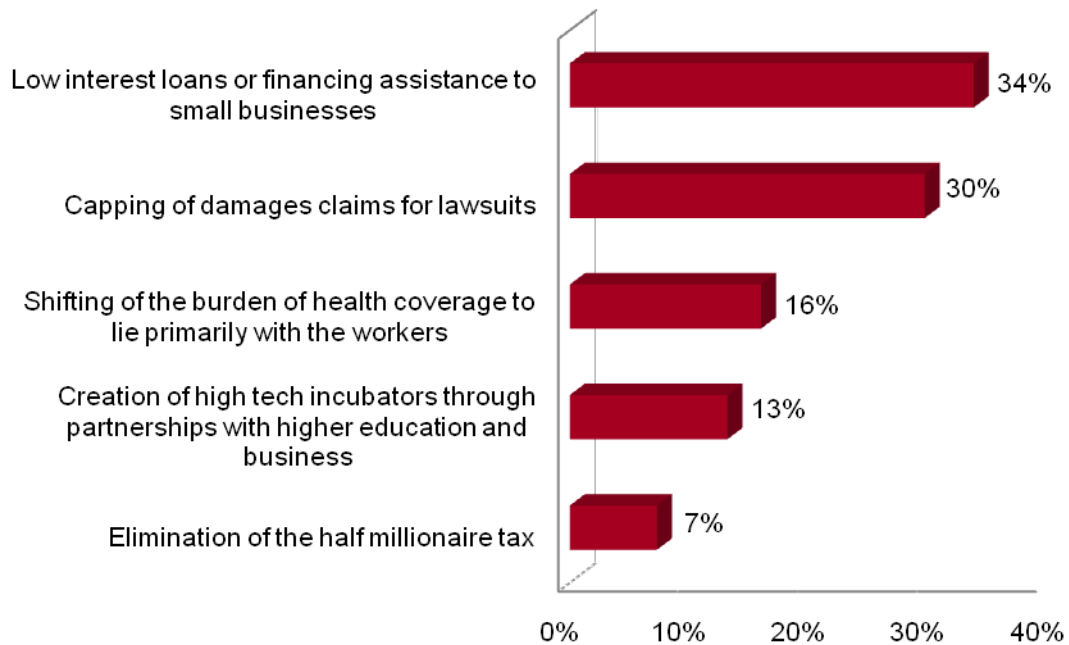
Extent of Business Support of or Opposition to Policies





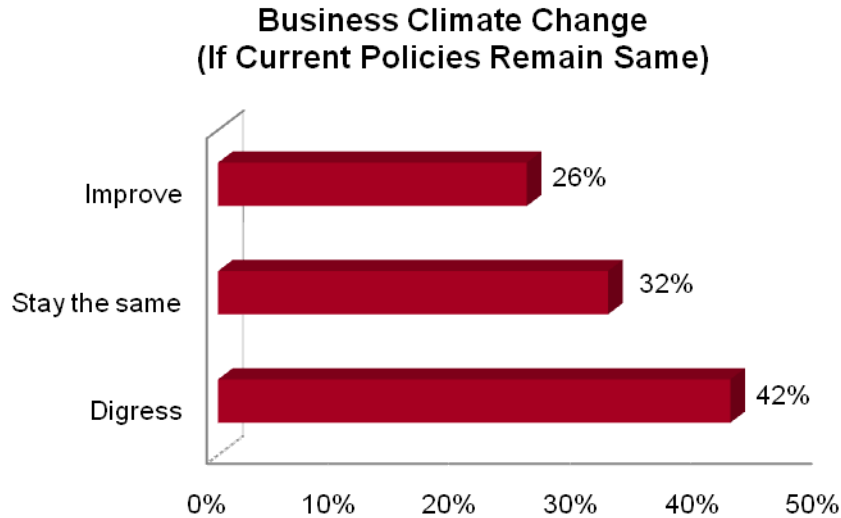
When asked to select the potential policy change that they think their organization would most strongly support, low interest loans or financing assistance to small businesses and capping of damages claims for lawsuits were again the most strongly supported potential policy changes. No statistically significant differences were found by company size in the support of low interest loans or financing assistance to small businesses.

Most Supported Policy by Business

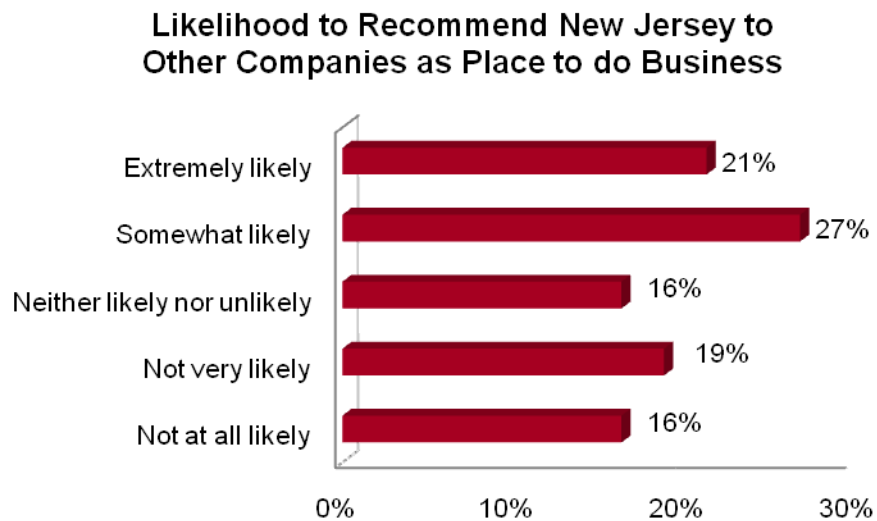


NEW JERSEY BUSINESS CLIMATE

New Jersey business leaders included in this survey were asked to consider state policies affecting the business climate in New Jersey. They were asked for their opinions regarding the future state of the New Jersey business environment over the next five years, assuming that the current policies remain the same. Well over one-third (42%) of respondents believe that the New Jersey business climate will digress over the next five years, almost one-third (32%) believe that it will stay the same, and about one-quarter (26%) believe that it will improve over the next five years.

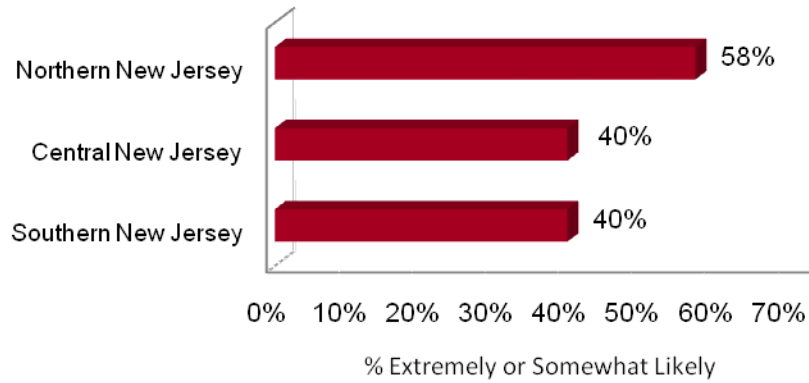


Almost one-half (48%) of respondents are likely to recommend New Jersey to other companies as a place to do business. However, over one-third (35%) of the New Jersey business leaders are not likely to recommend New Jersey to other companies as a place to do business.



The likeliness to recommend New Jersey to other companies as a place to do business varies by geographic region. Those in northern New Jersey are much more likely than those in central or southern New Jersey to recommend New Jersey as a place to do business.

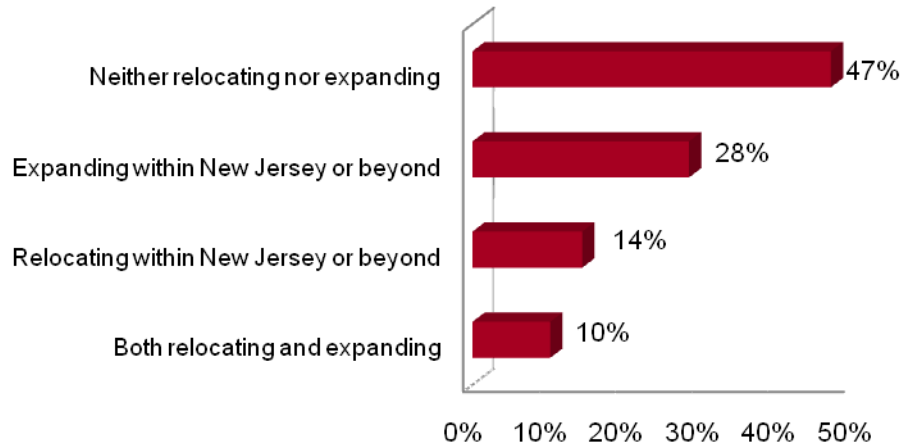
Likely to Recommend New Jersey as a Place to Do Business



RELOCATING AND/OR EXPANDING

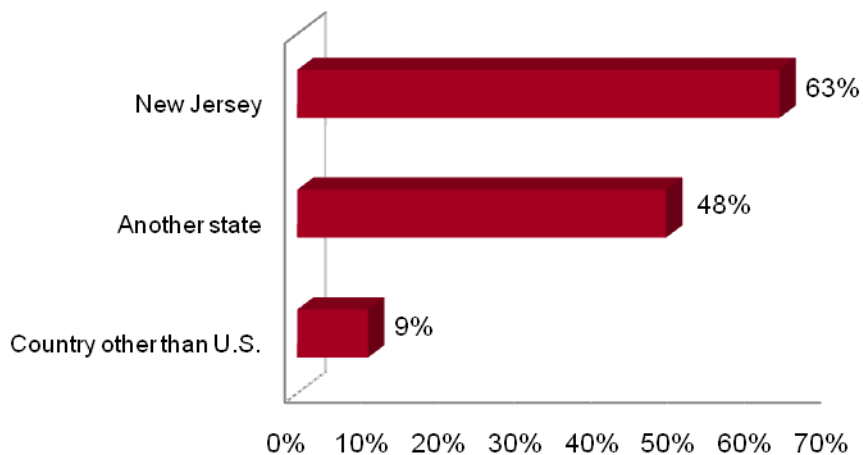
The New Jersey business leaders were asked whether their organization's New Jersey locations have ever considered relocating and/or expanding within New Jersey or beyond. Over one-half (52%) of respondents state that their organization's New Jersey locations have considered relocating and/or expanding within New Jersey or beyond.

Consideration of Relocating and/or Expanding



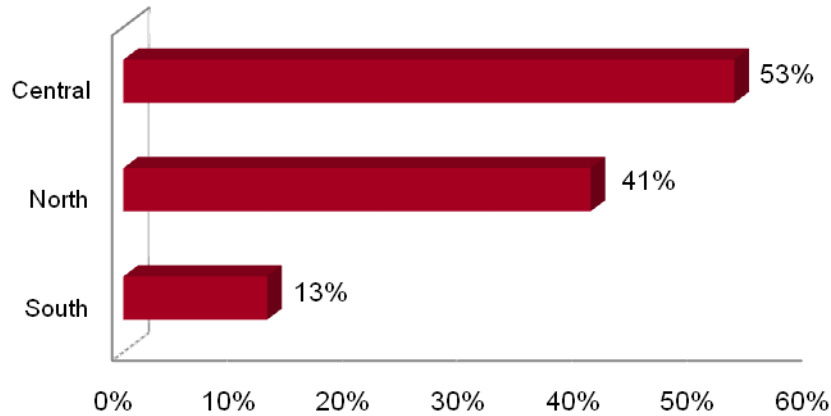
When asked where their organizations have considered relocating, over one-half (63%) have considered relocating within New Jersey, almost one-half (48%) have considered relocating to another state, and another 9% have considered relocating to another country.

Area Considered for Relocation



Of those whose organizations have considered relocating within New Jersey, over one-half (53%) have considered relocating to central New Jersey, 41% have considered relocating to northern New Jersey, and 13% have considered relocating to southern New Jersey.

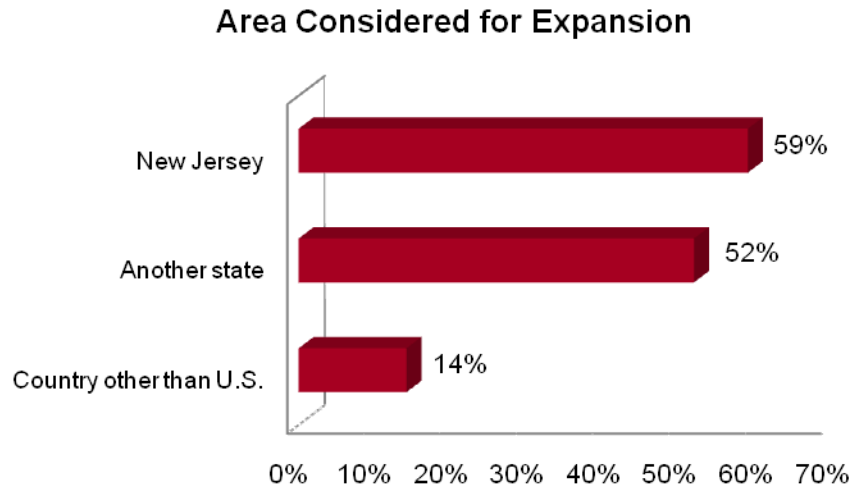
**Geographic Area Considered for Relocation
Within New Jersey**



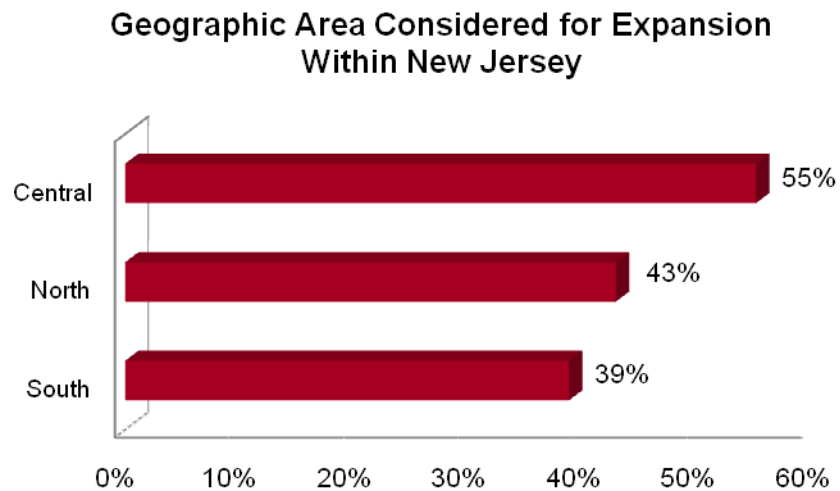
Of those whose organizations have considered relocating to other states outside of New Jersey, the most popularly considered states include Connecticut, Pennsylvania, Delaware, and South Carolina. Other states considered for relocation include Florida, New York, North Carolina, Texas, Alabama, Maryland, and Virginia.

Other States Considered for Relocation	
Connecticut	25%
Pennsylvania	25%
Delaware	19%
South Carolina	19%
Florida	13%
New York	13%
North Carolina	13%
Texas	13%
Alabama	6%
Maryland	6%
Virginia	6%

When asked where their organizations have considered expanding, over one-half (59%) have considered expanding within New Jersey, over one-half (52%) have considered expanding in another state, and another 14% have considered expanding in another country.



Of those whose organizations have considered expanding within New Jersey, over one-half (55%) have considered expanding to central New Jersey, 43% have considered expanding to northern New Jersey, and 39% have considered expanding to southern New Jersey.



Of those whose organizations have considered expanding to other states outside of New Jersey, the most popularly considered states include Delaware, Pennsylvania, Connecticut, New York, Florida, and North Carolina. Other states considered for expansion include Maryland, Nevada, Alabama, California, Georgia, Maine, Michigan, Ohio, South Carolina, and Virginia.

Other States Considered for Expanding	
Delaware	35%
Pennsylvania	30%
Connecticut	22%
New York	17%
Florida	13%
North Carolina	13%
Maryland	9%
Nevada	9%
Alabama	4%
California	4%
Georgia	4%
Maine	4%
Michigan	4%
Ohio	4%
South Carolina	4%
Virginia	4%

MOST AND LEAST BUSINESS-FRIENDLY STATES

The New Jersey business leaders were asked which state they consider to be the most business-friendly. Delaware is the most commonly cited state, cited by 23% of respondents as the most business-friendly state. New Jersey is the second most cited state, cited by 19% as the most business-friendly state. Other commonly cited states include New York, Florida, Pennsylvania, North Carolina, California, Nevada, South Carolina, and Texas.

Most Business-Friendly State	
Delaware	23%
New Jersey	19%
New York	9%
Florida	7%
Pennsylvania	6%
North Carolina	5%
California	4%
Nevada	4%
South Carolina	3%
Texas	3%
Maryland	2%
Georgia	2%
Hawaii	2%
Virginia	2%
Connecticut	1%
Iowa	1%
Alaska	1%
Colorado	1%
Kentucky	1%
Massachusetts	1%
Michigan	1%
New Hampshire	1%
Ohio	1%
South Dakota	1%
Utah	1%
Vermont	1%
Washington, D.C.	1%
Wisconsin	1%
Wyoming	1%

The state perceived to be the most business-friendly varies by the geographic region of the respondent's work site. Those in southern and central New Jersey consider Delaware to be the most business-friendly state, while those in northern New Jersey consider New Jersey to be the most business-friendly state.

Those in northern New Jersey are much more likely than those in central or southern New Jersey to consider New Jersey the most business-friendly state. Approximately one-quarter (24%) of those working in northern New Jersey consider New Jersey to be the most business-friendly state, compared to 17% of those in central New Jersey, and only 9% of those in southern New Jersey.

Almost one-half (47%) of those working in southern New Jersey consider Delaware to be the most business-friendly state, compared to one-quarter (25%) of those in central New Jersey, and only 11% of those in northern New Jersey.

Most Business-Friendly State by Geographic Region			
	Northern New Jersey	Central New Jersey	Southern New Jersey
Delaware	11%	25%	47%
New Jersey	24%	17%	9%
New York	16%	4%	0%
Florida	9%	8%	0%
Pennsylvania	5%	8%	6%
North Carolina	1%	8%	9%
California	4%	2%	6%
Nevada	3%	6%	3%
South Carolina	4%	4%	0%
Texas	1%	8%	0%
Maryland	4%	2%	0%
Georgia	1%	2%	3%
Hawaii	4%	0%	0%
Virginia	1%	2%	3%
Connecticut	3%	0%	0%
Iowa	0%	2%	3%
Alaska	0%	2%	0%
Colorado	0%	0%	3%
Kentucky	1%	0%	0%
Massachusetts	1%	0%	0%
Michigan	1%	0%	0%
New Hampshire	0%	0%	3%
Ohio	0%	0%	3%
South Dakota	0%	2%	0%
Utah	0%	2%	0%
Vermont	1%	0%	0%
Washington, D.C.	1%	0%	0%
Wisconsin	1%	0%	0%
Wyoming	1%	0%	0%

Respondents were also asked which state they consider to be the least business-friendly. New Jersey is the most commonly cited state, cited by 45% of respondents as the least business-friendly state. New York and California are the second and third most cited state, cited by 25% and 12% of respondents, respectively, as the least business-friendly state. Other commonly cited states include Florida and Pennsylvania.

Least Business-Friendly State	
New Jersey	45%
New York	25%
California	12%
Florida	3%
Pennsylvania	3%
Alabama	2%
Alaska	1%
Connecticut	1%
Delaware	1%
Idaho	1%
Illinois	1%
Maryland	1%
Michigan	1%
Minnesota	1%
Nevada	1%
North Dakota	1%
Ohio	1%
South Carolina	1%
Virginia	1%
Wisconsin	1%
Wyoming	1%

4. Approximately how many full-time equivalent employees does your company employ in the U.S.? _____

4a. **[IF DON'T KNOW]** From the following list, what is your best estimate for the number of full-time employees your company employs in the U.S.?

- a. 0 to 10
- b. 11 to 50
- c. 51 to 100
- d. 101 to 500
- e. 501 to 1,000
- f. 1,000 to 2,500
- g. 2,500 to 5,000
- h. 5,000 to 10,000
- i. 10,000 to 20,000
- j. More than 20,000
- k. **[DON'T READ]** Don't know **[TERMINATE]**

5. Now, please think about the specific company site where you primarily work. In which New Jersey county is this site? **[DON'T READ LIST]**

- a. Atlantic **[CLASSIFY AS SOUTH]**
- b. Bergen **[CLASSIFY AS NORTH]**
- c. Burlington **[CLASSIFY AS SOUTH]**
- d. Camden **[CLASSIFY AS SOUTH]**
- e. Cape May **[CLASSIFY AS SOUTH]**
- f. Cumberland **[CLASSIFY AS SOUTH]**
- g. Essex **[CLASSIFY AS NORTH]**
- h. Gloucester **[CLASSIFY AS SOUTH]**
- i. Hudson **[CLASSIFY AS NORTH]**
- j. Hunderton **[CLASSIFY AS CENTRAL]**
- k. Mercer **[CLASSIFY AS CENTRAL]**
- l. Middlesex **[CLASSIFY AS CENTRAL]**
- m. Monmouth **[CLASSIFY AS CENTRAL]**
- n. Morris **[CLASSIFY AS NORTH]**
- o. Ocean **[CLASSIFY AS SOUTH]**
- p. Passaic **[CLASSIFY AS NORTH]**
- q. Somerset **[CLASSIFY AS CENTRAL]**
- r. Salem **CLASSIFY AS SOUTH]**
- s. Sussex **[CLASSIFY AS NORTH]**
- t. Union **[CLASSIFY AS NORTH]**
- u. Warren **[CLASSIFY AS NORTH]**

II. Strengths and Challenges of the Current Business Environment

6. For the following question, please think about your company's New Jersey locations only. How important are the following issues to the success of your New Jersey

business? Please use the scale of 1 to 5 where 1 is not at all important and 5 is very important. **[RANDOMIZE LIST, IF RESPONDENT ASKS FOR CLARIFICATION ON “FAVORABLE” SAY: IS IT WHATEVER YOU WOULD CONSIDER TO BE FAVORABLE]**

a. Affordability of living, including housing	1	2	3	4	5
b. Availability of skilled workforce	1	2	3	4	5
c. Affordability of health coverage					
	1	2	3	4	5
d. Access to public transportation and adequate roads infrastructure					
	1	2	3	4	5
e. Favorable state tax structure including corporate, income, and sales taxes					
	1	2	3	4	5
f. Favorable labor laws and regulations	1	2	3	4	5
g. Favorable state environmental regulations	1	2	3	4	5
h. Affordability of energy	1	2	3	4	5
i. Favorable corporate liability laws	1	2	3	4	5

7. Again , please think about your company’s New Jersey locations. On a scale of 1 to 5, where 1 is poor and 5 is excellent, please rate New Jersey on the following issues.

[RANDOMIZE LIST, IF RESPONDENT ASKS FOR CLARIFICATION ON “FAVORABLE” SAY: IS IT WHATEVER YOU WOULD CONSIDER TO BE FAVORABLE]

a. Affordability of living, including housing	1	2	3	4	5
b. Availability of skilled workforce	1	2	3	4	5
c. Affordability of health coverage	1	2	3	4	5
d. Access to public transportation and adequate roads infrastructure					
	1	2	3	4	5
e. Favorable state tax structure including corporate, income, and sales taxes					
	1	2	3	4	5
f. Favorable labor laws and regulations	1	2	3	4	5
g. Favorable state environmental regulations	1	2	3	4	5
h. Affordability of energy	1	2	3	4	5
i. Favorable corporate liability laws	1	2	3	4	5

8. Of these issues as they currently stand, which one is most likely to prevent your company from reaching its overall goals? **[READ LIST IF NECESSARY, RANDOMIZE LIST, IF RESPONDENT ASKS FOR CLARIFICATION ON “FAVORABLE” SAY: IS IT WHATEVER YOU WOULD CONSIDER TO BE FAVORABLE]**

- a. Cost of living, including housing
- b. Availability of skilled workforce
- c. Health coverage costs
- d. Access to public transportation and adequate roads infrastructure
- e. State tax structure including corporate, income, and sales taxes
- f. Labor laws and regulations

- g. State environmental regulations
- h. Energy costs
- i. Corporate liability laws

III. Perceptions of Specific Business-Related Policies

For the next several questions, please think of how these issues affect your companies New Jersey locations specifically.

9. Please think about these issues from a New Jersey state perspective only. I'm going to read some public policy issues that may impact your company. On a scale of 1 to 5, where 1 is a very negative impact on your company and 5 is a very positive impact on your company, how do these policies currently impact your company?

a. Tax policy	1	2	3	4	5
b. Non-environmental regulatory policy	1	2	3	4	5
c. Workforce and labor policy	1	2	3	4	5
d. Healthcare policy	1	2	3	4	5
e. Capital and infrastructure policy	1	2	3	4	5
f. State environmental policy	1	2	3	4	5
g. Other, please specify _____					
h. [DON'T READ] None [GO TO Q11]					

[IF ONLY INDICATED ONE POLICY IS 1 OR 2 IN Q9, SKIP TO 11]

10. Of those policies that you said negatively impact your company, which one most negatively impacts your company? [ONLY THOSE SELECTED AS 1 OR 2 IN Q9 WILL BE VISIBLE]

- a. Tax policy [GO TO Q10_a]
- b. Regulatory policy [GO TO Q10_b]
- c. Workforce and labor policy [GO TO Q10_c]
- d. Healthcare policy [GO TO Q10_d]
- e. Capital and infrastructure policy [GO TO Q10_e]
- f. State environmental policy [GO TO Q10_f]
- g. Other, please specify _____ [GO TO Q10_g]
- h. **[DON'T READ]** None

11. Based on your experiences, how much of a priority should legislators place on the following issues in the upcoming year? Please use a scale of 1 to 5 where 1 is a low priority and 5 is a high priority.

11_a. [IF TAX POLICY IS SELECTED, RANDOMIZE LIST]

a. Improving state individual personal income tax policies	1	2	3	4	5 N/A
b. Improving tax policies related to businesses and corporations	1	2	3	4	5 N/A
c. Improving real estate transfer tax policies	1	2	3	4	5 N/A
d. Improving property tax policies	1	2	3	4	5 N/A
e. Improving state sales tax policies	1	2	3	4	5 N/A

- f. Improving regulations on liability lawsuits 1 2 3 4 5 N/A
- g. Other
- h. **[DON'T READ]** None

11_b. **[IF REGULATORY POLICY IS SELECTED, RANDOMIZE LIST]**

- a. Improving utility regulations including cable, telecomm, and electricity 1 2 3 4 5 N/A
- b. Improving labor regulations 1 2 3 4 5 N/A
- c. Improving insurance regulations 1 2 3 4 5 N/A
- d. Streamlining contractor registration and professional licensing process 1 2 3 4 5 N/A
- Other
- e. **[DON'T READ]** None

11_c. **[IF WORKFORCE AND LABOR POLICY IS SELECTED, RANDOMIZE LIST]**

- a. Updating wage and hour policy 1 2 3 4 5 N/A
- b. Improving leave policy 1 2 3 4 5 N/A
- c. Improving union policy 1 2 3 4 5 N/A
- d. Streamlining contractor registration and professional licensing process 1 2 3 4 5 N/A
- e. Increasing training opportunities 1 2 3 4 5 N/A
- f. Improving K12 and higher education for a skilled workforce 1 2 3 4 5 N/A
- g. Improving regulations related to liability lawsuits 1 2 3 4 5 N/A
- h. Other
- i. **[DON'T READ]** None

11_d. **[IF HEALTHCARE POLICY IS SELECTED, RANDOMIZE LIST]**

- a. Improving affordability of health insurance coverage 1 2 3 4 5 N/A
- b. Reducing healthcare coverage mandates, such as fertility treatments and mental health mandates 1 2 3 4 5 N/A
- c. Enhancing quality of healthcare 1 2 3 4 5 N/A
- d. Reforming coverage of the uninsured 1 2 3 4 5 N/A
- e. Improving managed care offerings 1 2 3 4 5 N/A
- f. Reforming regulations on liability lawsuits 1 2 3 4 5 N/A
- g. Other
- h. **[DON'T READ]** None

11_e. **[IF CAPITAL AND INFRASTRUCTURE POLICY IS SELECTED, RANDOMIZE LIST]**

- a. Improving and expanding roads and bridges infrastructure 1 2 3 4 5 N/A

- b. Improving availability of mass transportation 1 2 3 4 5 N/A
- c. Improving utility infrastructure 1 2 3 4 5 N/A
- d. Improving cost of transporting goods 1 2 3 4 5 N/A
- e. Updating zoning ordinances 1 2 3 4 5 N/A
- f. Improving broadband infrastructure
- g. Other
- h. **[DON'T READ]** None

11_f. **[IF STATE ENVIRONMENTAL POLICY IS SELECTED, RANDOMIZE LIST]**

- a. Reducing air permit fees 1 2 3 4 5 N/A
- b. Improving regulations on water use 1 2 3 4 5 N/A
- c. Improving regulations on land use 1 2 3 4 5 N/A
- d. Improving site remediation fees 1 2 3 4 5 N/A
- e. Improving public notification laws 1 2 3 4 5 N/A
- f. Reforming regulations on liability lawsuits 1 2 3 4 5 N/A
- g. Other
- h. **[DON'T READ]** None

11_g. **[IF OTHER IS SELECTED IN Q11]**

What makes you say this?

Please remember that your answers to the survey are completely confidential and will only be used in aggregate.

12. I'm now going to read a variety of public policy or legislative changes that may affect your business. Putting your personal feelings on the issues aside, and using a scale of 1 to 5, where 1 is strongly oppose and 5 is strongly support, please tell me from your perspective the extent to which you believe your business would support or not support the following:

- Elimination of the ½ millionaire tax 1 2 3 4 5
- Capping of damages claims for lawsuits
- Shifting of the burden of health coverage to lie primarily with the workers
- Low interest loans or financing assistance to small businesses
- Creation of high tech incubators through partnerships with higher education and business

13. **[IF 4 OR 5 TO MORE THAN 1 IN Q12]**Of the policies that I have just read, which one do you think your business would be most supportive of? **[SELECT ONLY ONE]**

- Elimination of the ½ millionaire tax
- Capping of damages claims for lawsuits
- Shifting of the burden of health coverage to lie primarily with the workers
- Low interest loans or financing assistance to small businesses
- Creation of high tech incubators through partnerships with higher education and business

IV. Perceptions of the Future of New Jersey

14. For this question, please think generally about state policies affecting the business climate in New Jersey. Assuming current policies remain the same, do you believe that the business climate will improve, digress, or stay the same over the next 5 years?

- a. Improve
- b. Digress
- c. Stay the same
- d. **[DON'T READ]** Don't know

15. Thinking about your company's headquarters or any branch offices located in New Jersey, has your company ever considered ...?

- a. Relocating within New Jersey or beyond
- b. Expanding within New Jersey or beyond
- c. **[DON'T READ]** Both
- d. **[DON'T READ]** Neither
- e. **[DON'T READ]** Don't know

a_1. **[IF RELOCATING OR BOTH]** Where have you considered relocating your business? Please select all that apply.

- a. New Jersey
- b. Another state
- c. Country other than U.S.
- d. **[DON'T READ]** Don't know

a_2. **[IF NEW JERSEY]** To which geographic area of New Jersey have you considered relocating? Please select all that apply.

- a. North
- b. South
- c. Central
- d. Other: please specify _____

a_3. **[IF ANOTHER STATE]** To which state or states have you considered relocating? Please let me know all states that you have considered.

b_1. **[IF EXPANDING OR BOTH]** Where have you considered expanding your business? Please select all that apply.

- a. New Jersey
- b. Another state
- c. Country other than U.S.
- d. **[DON'T READ]** Don't know

b_2. **[IF NEW JERSEY]** To which geographic area of New Jersey have you considered expanding? Please select all that apply.

- a. North
- b. South
- c. Central
- d. Other: please specify _____

b_3. **[IF ANOTHER STATE]** To which state or states have you considered expanding? Please let me know all states that you have considered.

16. **[ALL]** In your opinion, what is the most business friendly state in the U.S.?

16a. What makes you say that?

17. **[ALL]** In your opinion, what is the least business friendly state in the U.S.?

17a. What makes you say that?

18. **[ALL]** How likely would you be to recommend New Jersey to other companies as a place to do business?

- a. Extremely likely
- b. Somewhat likely
- c. Neither likely nor unlikely
- d. Not very likely [GO TO Q18a]
- e. Not at all likely [GO TO Q18a]

18a. What is the primary reason you are not very or not at all likely to recommend New Jersey to other companies? _____

We're nearly done with the survey, I just have a couple of questions for classification purposes only.

V. Demographics

19. Is your organization publicly traded or a private company?

- a. Publicly-traded
- b. Private
- c. Neither
- d. **[DON'T READ]** Other (please specify) _____
- e. **[DON'T READ]** Don't know

20. Which of the following best describes your company structure?
- a. My business consists of one site only [GO TO 22]
 - b. My business consists of multiple sites only within New Jersey [GO TO 22]
 - c. My business consists of multiple sites both within New Jersey and other states [GO TO 21]
 - d. **[DON'T READ]** Don't know

[IF RESPONDENT SELECTS C IN Q20 SAY: YOU SAID THAT YOUR COMPANY EMPLOYS (PIPE IN ANSWER FROM Q4) EMPLOYEES IN THE U.S., NOW, PLEASE THINK ABOUT NJ LOCATIONS SPECIFICALLY]

21. Approximately, how many full-time equivalent employees does your company employ in New Jersey? _____

21a. **[IF DON'T KNOW]** From the following list, what is your best estimate for the number of full-time employees your company employs in New Jersey?

- a. 0 to 10
- b. 11 to 50
- c. 51 to 100
- d. 101 to 500
- e. 501 to 1,000
- f. 1,000 to 2,500
- g. 2,500 to 5,000
- h. 5,000 to 10,000
- i. 10,000 to 20,000
- j. More than 20,000
- k. **[DON'T READ]** Don't know

22. Approximately how many full-time equivalent employees does your company employ at your site? _____

22a. **[IF DON'T KNOW]** From the following list, what is your best estimate for the number of full-time employees your company employs at your site?

- a. 0 to 10
- b. 11 to 50
- c. 51 to 100
- d. 101 to 500
- e. 501 to 1,000
- f. 1,000 to 2,500
- g. 2,500 to 5,000
- h. 5,000 to 10,000
- i. 10,000 to 20,000
- j. More than 20,000

k. **[DON'T READ]** Don't know

23. Is your company headquarters located in New Jersey?

- a. Yes
- b. No
- c. **[DON'T READ]** Don't know

23a. **[IF YES]** In what New Jersey county is your company headquarters?

24. Approximately what is your company's total annual revenue? I'm looking for your best estimate.

24a. **[IF DON'T KNOW]** I'm going to read a list of revenue ranges. Please tell me which one you think most closely reflects your company's total annual revenue. You can stop me when I reach your appropriate revenue range.

- a. Less than \$1 million
- b. \$1 to \$2 million
- c. More than \$2 million, less than \$3 million
- d. More than \$3 million, less than \$4 million
- e. More than \$4 million, less than \$5 million
- f. More than \$5 million, less than \$10 million
- g. More than \$10 million, less than \$15 million
- h. More than \$15 million, less than \$20 million
- i. More than \$20 million
- j. **[DON'T READ]** Don't know

25. What is your title? _____

Thank you for your time today. Would you like to receive a copy of the executive summary highlighting some of the findings from this study?

[IF NO] Thank you again for your participation in this important study.

[IF YES] What is your name? _____

What is your email address? _____

Thank you. We will email the executive summary to you when the study is completed in February.

